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TAGS: [KTFN](#) [EFIN](#) [PTER](#) [PREL](#) [PGOV](#) [BE](#) [EU](#)
SUBJECT: TREASURY OFFICIALS MEET WITH BELGIAN AND EU
OFFICIALS ON TERRORISM FINANCE

REF: A. BRUSSELS 1022
[B](#). BRUSSELS 539
[C](#). BRUSSELS 346

Classified By: ECONCOUNS T.L.ROBL, REASONS 1.5 (B) AND (D)

[1](#). (C) SUMMARY: During a March 14 meeting at the Belgian Ministry of Foreign Affairs (MFA), Treasury Assistant Secretary (A/S) for Terrorism Financing Patrick O'Brien met

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with Belgian officials to explain the U.S. process to designate financiers of terrorists or terror groups. O'Brien's visit occurred as Belgium neared the final legislative stages in the creation of an interagency body, OCAM/CODA that will analyze internal and external threats to Belgian interests (ref A). The Belgians inquired about the Global Relief Fund (GRF) case (refs B and C), but post understands that at present no further information to share with GOB is available. A/S O'Brien also met with Jonathan Faull, Director General of Justice, Liberty and Security at the European Commission to discuss non-profit organizations and terrorism finance. Faull invited the U.S. to participate in a conference on this issue that the Commission will be hosting October 9-10 in Brussels. END SUMMARY

[2](#). (SBU) Participants in the March 14 meeting at the Belgian MFA were as follows:

Belgium

Ministry of Foreign Affairs
-Jan Devadder, Legal Advisor
-Kris Van Oostende, Deputy Legal Advisor
-Mark Van De Vreken, Advisor, Cabinet of Minister for Foreign Affairs
-Paul Rietjens, Legal Advisor, Permanent Representation of Belgium to the EU
-Veronique Petit, First Secretary, Counterterrorism Unit, MFA

Other Belgian Agencies
-Jean-Pascal Thoreau, Federal Magistrate handling financial crimes (including terrorist financing)

-Beatrice Detiste, Financial Specialist, Treasury

-Jean-Claude Delepiere, Director, CTIF/CFI (Belgian Financial Intelligence Unit)

-Henri Vantieghem, Diplomatic Advisor to the Minister of

Justice

US

Department of Treasury:

-Patrick O'Brien, Assistant Secretary for Terrorism Financing
-Justin Serafini, Policy Advisor
-Chris Burdick, Sanctions Advisor (Stuttgart)

Embassy Brussels

-Terri Robl, EconCouns, Terrorist Financing Coordinating Officer (TFCO)
-Fred Wong, Legatt
-Moulik Berkana, Econoff, Deputy TFCO
-Greg Rupert, Assistant Legatt, The Hague

13. (C) A/S O'Brien explained how a U.S. interagency group, known as the Terrorism Finance Policy Coordination Committee, decides how to proceed in terrorism cases, including various enforcement, policy, and intelligence responses. When designations are appropriate, all information is collected (including classified and unclassified information) in an administrative record maintained by the Office of Foreign Asset Control (OFAC). Designations may be done in conjunction with other actions, including diplomatic actions and criminal procedures.

14. (SBU) O'Brien summarized and compared an independent (administrative) capacity to freeze assets with the process of developing information to be used in prosecuting a criminal case. The standard of evidence for designation is different than that in a criminal proceeding and can include classified information that can be reviewed by a judge ex parte and in camera. Nonetheless, before designation the administrative record is reviewed by lawyers at OFAC and the U.S. Department of Justice (USDJ) to ensure legal

sufficiency for designation. Upon designation, a public statement is made giving the reason for designation. In cases of UNSCR 1267 designations, a statement of the case is presented to the 1267 Committee and G7 members. Due process in designations is maintained by the Administrative Procedures Act that allows for an administrative and judicial appeal process. First, a designated entity can apply to OFAC for de-listing, which leads to an administrative review. If the designated person is denied de-listing by OFAC, he/she can challenge his/her designation through a judicial review in U.S. Federal District Court.

15. (C) A/S O'Brien highlighted that interagency coordination is a key requirement in counter terrorism finance. The Belgians expressed particular interest in these aspects because the GOB is currently constituting its own interagency body (OAM/CODA in French and Dutch acronyms) charged with threat analysis (ref A). Although not yet operative, part of the mandate of the interagency group may involve handling listings on the national level, rather than EU or UN; details are still being arranged.

16. (U) O'Brien also explained OFAC licensing procedures, which permit the designated individual or group access to some funds for living expenses or other permitted purposes.

17. (C) The discussion briefly touched on the Global Relief Fund case (refs B and C). As reported in ref B, Belgium has offered to share its file on the case. Two copies are available, one with the Belgian Federal Prosecutor and one with the Legal Advisor to the MFA. Legatt has agreed to look at the dossier with the Federal Prosecutor handling the case. Belgian authorities reiterated that they would welcome any additional information or intelligence on GRF that can be shared by U.S. agencies.

18. (C) Post will follow up on Belgian requests for more detailed information on designations, licenses and de-listing, drawing on OFAC website and other sources. For

example, the Belgians asked about criteria for designation and under what legislative authority the U.S. designates (International Economic Powers Act, IEPA). We will also provide the Belgians with an FBI Field Guide on designations.

MEETING WITH EUROPEAN COMMISSION ON NON-PROFITS

¶9. (SBU) A/S O'Brien also met with Jonathan Faull, Director General for Justice, Freedom and Security at the European Commission to discuss cooperation in the non-profit sector. Faull invited the U.S. to participate in a large conference that they are planning on this issue October 9-10 in Brussels. This conference is a follow up to the Communication that the Commission issued in December that makes recommendations to the member states and sets out a code of conduct for the non-profit organizations. Faull indicated that the conference would bring together 250 people representing a broad range of stakeholders including non-profit organizations, law enforcement, regulators, and financial intelligence units

¶10. (C) Nicholas Kaye said that getting agreement on member states on the best approach had been difficult, with the Nordic countries in particular being reluctant to regulate the sector. He noted that it had not been possible to get an EU consensus on the Interpretative Note dealing with non-profits among member states before the last Financial Action Task Force meeting in South Africa. Given this dynamic, the Commission does not intend to put the code of conduct or recommendations to the member states to the Council for debate for fear that the result would be to water down what the Commission has proposed. Kaye also noted that the Commission had initially intended to include risk indicators as part of the communication, but given the sensitive nature had dropped it. He said that the Commission still feels that risk indicators are important and would welcome US input on how those should be developed.

¶11. (SBU) O'Brien asked Faull whether there would be some way to move forward with the proposal in the June 2004 summit declaration to work jointly on analysis of frozen accounts. Faull agreed to look into the situation.

¶12. (U) This cable, jointly drafted by Embassy and USEU, has been cleared by A/S O'Brien's office.
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